

**UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL DEVELOPMENT**

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For Administrative Use Only

Missouri RDAN 1429 (3550)

March 21, 2005

TO: Area Directors and Rural Development Managers

FROM: /s/  
GREGORY C. BRANUM  
State Director  
Rural Development

SUBJECT: Single Family Housing Funds – FY 2005

PURPOSE/INTENDED OUTCOME:

The purpose of this AN is to provide Missouri Rural Development Areas with their FY 2005 Rural Housing Allocations and the policy for the use of these funds.

COMPARISON WITH PREVIOUS AN: This AN replaces Missouri AN No. 1421 (3550) dated March 30, 2004.

IMPLEMENTATION RESPONSIBILITIES:

Our FY 2005 first and second quarter allocations for the Single Family Housing 502 and 504 programs have been distributed. This represents 75 percent of FY 2005 allocation with the 50/50 split for very low- and low-income funds. An additional 25% will be available in third quarter with National Office pooling in forth quarter. Here are the amounts of our initial annual allocation for FY 2005:

502 Very Low	\$9,214,000
502 Low	\$9,214,000
504 Loan	\$761,000
504 Grant	\$714,000

In addition, we will receive some additional funds from National Office for our Self-Help groups and Rural Home Loan Partnerships.

Missouri's initial allocation for the Guaranteed 502 Program is \$45,286,624; however, we have already exceeded that amount and have received \$47,194,269. National Office indicates "we should have funding available through the end of the fiscal year."

EXPIRATION DATE:  
September 30, 2005

FILING INSTRUCTIONS: Preceding  
RD Inst. HB-1 3550, Appendix 7

State pooling of funds for Direct Programs is planned for COB on Friday, June 17, 2005. National Office will pool EZEC funds on June 30, 2005 and other direct funds on July 15, 2005. Guaranteed pooling is scheduled for August 12, 2005 or sooner if necessary.

#### **Allocation of funds to each area**

Attachment A provides the quarterly allocations to each area. Attachment B provided previously to Area Directors showed funds used by each area and balances due or advanced from third quarter.

#### **State Office Reserves**

E-mail or fax through the Area Office to the State Office Attachment C for requesting the following from State Office Reserves:

**Rural Home Loan Partnership Loans** - National Office will provide funds to cover 75% of RHLP Loans.

**502 and 504 Hardships** - EXTREME hardship cases only. Priority will be given to applicants who have been living in deficient housing for more than 6 months, current owners facing foreclosure, homeless, and other circumstances on a case by case basis. Area Office funds MUST be used before submitting hardship requests to the State Office. Hardships must have Area Director signature and priority status. National Office hardship funds are not available until 4<sup>th</sup> quarter.

**Self-Help Loans** - National Office will provide funds to cover 100% of Self-Help Loans.

**Disaster 504 Loans and Grants** – Disaster money for grant requests resulting from the spring storms of 2003 has been depleted. Section 504 Disaster funds to cover requests resulting from the spring storms of 2004 are now available.

#### **REO**

The National Office is making funds available on a first come, first served basis for program and non-program loans for sale of REO. E-mail or fax requests through the Area Office to the State Office on Attachment C. The requested amount, program type code, and property address must be properly reflected in Mortgage Serve before CSC will fund our REO requests.